(b) No, Sir.

(c) and (d) Do not arise.

Special tourist authority for Puri in Orissa

3017. SHRIMATI JAYANTI PATNAIK: Will the Minister of TOURISM be pleased to state:

(a) whether Government have a proposal to set up a special tourist authority for Puri in Orissa;

(b) if so, what are the places of tourist interest going to be included in that tourist authority;

(c) whether Government propose to draw schemes in consultation with the State Government for development of those places of tourist interests; and

(d) if so, the steps taken in this regard?

THE MINISTER OF PARLIAMENTARY AFFAIRS AND MINISTER OF TOURISM (SHRI SRIKANTA JENA): (a) to (d) The State Government of Orissa has recently constituted a Special Tourism Authority, Puri for the development of tourism infrastructure in area of 3500 acres (approximately) between Puri-Konark upto Chilka Lake as Special Tourism Area.

Losing market by IA and AI on Introduction of liberalisation scheme

3018. SHRI SANJAY DALMIA: Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether it is a fact that since introduction of liberalisation scheme Indian Airlines and Air India have lost 37% and 21% of their market respectively; and

(b) if so, the steps taken or proposed to be taken by Government to make these national airlines stronger to face this problem?

THE MINISTER OF CIVIL AVIATION (SHRI C. M. IBRAHIM): (a) After demonopolisation of domestic air transport sector, market share of Indian Airlines came down to about 60% in 1995. Air India's market share came down from 24.5% in 1990 to 23.1% in 1995.

(b) Air India and Indian Airlines are taking steps to face the competition by improving their product, image and on time performance.

Advise by RBI regarding rising credit demand and deregulation of interest rates

3019. SHRI SUSHIL KUMAR SAMBHAJIRAO SHINDE: Will the Minister of FINANCE be pleased to state:

(a) whether the Reserve Bank of India has cautioned the banking sector on perils of rising credit demand and deregulation of interest rates in the context of limited availability of funds;

(b) if so, what banking system reforms were suggested by RBI in this context; and

(c) what is Government's reaction thereto?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) to (c) Reserve Bank of India (RBI) has reported that at present the banking system has adequate resources to meet all genuine demands for credit. Aggregate deposits for scheduled commercial banks have risen by Rs. 14,862 crore (3.4 per cent) so far during the current financial year (March 29, 1996 to August 2, 1996) as compared with a decline of Rs. 2,390 crore (0.6 per cent) recorded in the comparable period of 1995-96.

The interest rate structure prescribed by RBI to scheduled commercial banks has been deregulated considerably. Banks are now free to determine the term deposits rates for maturities over one year they offer to the public. Similarly, for credit limits over Rs. 2 lakh, banks are free to determine their own lending rates. While fixing their deposit and lending rates banks take into account the cost and likely return on deployment of funds. The guard against banks offering/charging unduly high rates they have been cautioned to ensure that the interest rates they prescribe need to be sustainable. Also prescription of prudential norms relating to income recognition, capital adequacy and provisioning is a major safeguard in the matter of sustainability of the interest rates offered/charged by banks.